

Memorial Hospital Lafayette County 'MHLC'
November 26, 2013
MHLC Conference Room
Minutes from Monthly MHLC Committee Meeting

Present: MHLC Chairperson Bill Moody- County Supervisors Bob Boyle, Wayne Wilson, Ron Niemann, Connie Hull, Medical Director Matt Solverson; CEO Julie Chikowski; Director of Finance Barb Johnson; DON Kathy Ruef; Accounts Manager Deb Krahenbuhl, County Finance Director Nicola Maurer.

I. Call to Order

Chair Moody called the meeting to order at 4:00 p.m.

II. Posting

Chair Moody asked if the meeting had been properly posted. Ms. Chikowski reported that the meeting had been posted with notices at the Hospital, Health Department, Court House, County Website, and sent to the local media. Chair Moody declared the meeting to be legal.

III. Approval of Agenda - Discussion and possible action requested

Chair Moody presented the agenda and inquired if there were any changes. Mr. Niemann made a motion, seconded by Mr. Wilson to approve the agenda as presented. Voice vote, motion passed unanimously.

IV. Minutes – Discussion and possible action requested

Mr. Wilson made a motion, seconded by Mr. Niemann to approve minutes from the October 22, 2013 Memorial Hospital of Lafayette County Hospital Board meeting as presented. Voice vote, motion passed unanimously.

V. Financial Report: Barb Johnson, DOF/Julie Chikowski, Administrator:

1. October 2013 Financials:

- **Profit & Loss** - In discussion with the financial department, everything has been posted for October revenues and expenses, including the prepaid insurance and payroll accruals. Overall Profit YTD is down from 2012. There is a slight decrease in Swingbed days from by 17 days, and there has been an increase in Acute Inpatient days. We will be preparing a 2013 interim cost report using October 31 YTD numbers so the estimate can be accounted for prior to year end. Also still expected, is the meaningful use dollars for Medicare & Medicaid at approximately \$281,518. When comparing the Department Profit/ (Loss) from Current YTD to Budget, the Emergency Room continues to show increases. The Operating Room is still less than budgeted YTD, however, they have seen increases and show increases in their 2013 projected budget prior to year end. The Medicare & Dialysis Allowances are higher due to sequestration, which is expected to continue, which is a 2% decrease in Medicare reimbursement, also due to the interim payment adjustments which came from the 2012 Cost Report. Total Clinical Expenses are below budget by \$269,661. ER, OR, Therapy, and Pharmacy are above budget for their expenses, while the remaining departments are below budget. Net Income prior to the transfer of \$260,841 to the County General Fund is \$445,834, which is a 4% profit YTD. Operating Percentage Margin TYD (after disbursal of the CGF) is 2.59%, which is below budget. Once we get the interim cost report completed, we can take into consideration the cost reimbursement, and allow us to project a better approximation of our Margin TYD. We

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paid out \$294,000 to RWHC ITN for the upgrade for our HMS software for meaningful use. We will be receiving reimbursement of approximately \$260,000 prior to the end of the year.

Our net income after County Transfer plus meaningful use Medicaid and Medicare monies will be \$726,511.

- **Wages & Fringes**

Overall combined wages & fringes are below budget for October YTD.

- **Balance Sheet**

Cash as of October 31, 2013 is showing \$543,502. The Accounts Receivable balance, as of October 31, 2013 is at \$2,636,637.

- **Aged Accounts Receivable** – The net days outstanding in accounts receivable is 46.02 days, with 66.83% of accounts receivable being in the 0-30 days outstanding, and 13.41% in the 31-60 days. Self-Pay balances total \$467,707. Currently for the month of October \$414,824 is greater than 90 days old.

- **Activity Report** – Reviewed highlights.

- **Other:**

- After reviewing the RWHC \$ - Mr. Niemann would like it broken down to see what is all included, ITN Fees, Memberships, Education, etc.
- A general discussion continued on what members might like to have included in the monthly financial summary. Ms. Chikowski said they could run a monthly graph of where our net income is after the expected income. Cash on hand, A/R & Days – easier to see trends. Mr. Niemann would like financial report sent in packets so they can review the information prior to the meeting if possible. But realize if they set the meeting date too early it might not be feasible. Net income graph comparing 2012 to 2013 to measure trending – suggested by Ms. Maurer. Budget numbers could be added as well. Ms. Johnson would be happy to add. Ms. Maurer suggested that maybe some of the columns could be dropped if not needed. Late charges dropped significantly as well. Lost days in Sept during move – made progress in October – with the addition of the new employee in billing – doing a nice job. Good numbers.

2. Utilization Review:

- IP days close. OP up over 200, ADPC 8.3. IN/OP up by 1 patient. IP carryover stats – move bodies. Surgical proc. – headed in right direction. Scopes are increasing.
- Dr.'s Schmus & Stormont are both asking for more OR time. A thank you was put in the paper for patients coming to MHLC to see Dr. Stormont from Monroe & Illinois.
- RT down – Rehab treatments up by 640 – Cardiac Rehab up again – Pulmonary Rehab Increased – is a service we provide but we make no money usually but bring people here.

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- Dialysis patient numbers are declining. We have 2 on a waiting list to go to another unit. Looking to put audio booth into dialysis space. We need 12 to break even and we are down to 5. Would like to look at closing the dialysis unit to new patients. After a lengthy discussion, Mr. Niemann said he would like this added as an agenda item at the next meeting to close unit to new patients. General discussion continued of this department and how many it takes to staff it. The staff is cross trained and would be utilized elsewhere and they have discussed this possibility with existing staff and the Manager Dana Ihler. Our equipment is also passed the 5 year mark where we would need to start replacing them at a cost of \$50,000 each. Ms. Chikowski has asked the firm that is bidding the build out of the OPC Expansion Project to include the elimination of the Dialysis Unit and put the Audio Room in its' place this in their drawing.
- OB's & baby numbers are down – we have had 35 total births YTD – and anticipated 50 which we will not meet. General discussion continued – a significant portion of these births are Medicaid and not reimbursed. They will continue to be until we recruit an OB/GYN. Dr. Bernardoni was a big draw who has now retired. Dr. Dachman is willing to get the training to be able to do C-Sections, but he is a General Surgeon and would not bring in any more patients. Family Health is working with a recruiting firm to find a family health practitioner who specializes in this to bring more OB's. The search continues.
- Ms. Hull asked if it was correct that there were no Urgent Care patients last month. After a brief discussion Ms. Ruef said she will check and report back next month.

The motion was made by Mr. Wilson to accept Financial Report with the clarification of Urgent Care patient numbers, seconded by Mr. Boyle, Voice vote and passed unanimously.

VI. Personnel – discussion and possible action requested.

1. Staff Updates:

- Ms. Krahenbuhl reported that the Business Office has 1 new biller, Deb Hendrickson from Blanchardville area – she has been here for one month and is working out well. We also have been down a reg/admissions person and will be filling it next Monday, Beth Prine, an existing employee from the ER registration is moving down. April Lancaster will be moving to admissions dept. We had a termination in that department recently.
- Ms. Ruef reported that she hired 2 full-time nurses. We now need a half time ER HUC/CNA to refill the person who went to the registration area.
- Our Social Worker retired – we are working with LCHS for social worker coverage – we are looking to purchase time from them and not have to worry about hiring one.
- Matt McGowan, Pharmacy is working out very well.
- We had an LPN leave from one day to the next in the OPC – so we hired an LTE employee, Peggy Glendenning, LPN while the clinic person is out on medical leave. If she works out we would like to orient her and maybe offer her the position.
- CNA Termination – part time without benefits - we are looking to refill the CNA position.

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- Budget for raises for 1/1/2014: Ms. Johnson handed out and reviewed the proposal. General discussion continued reviewing each one separately in detail and justification for the increase requested. After a lengthy discussion of concerns & clarifications, as well as the suggestion by Ms. Hull to consider calling the increases – supplements, the motion was made by Mr. Boyle, seconded by Mr. Niemann to move the request for increases as detailed in the summary for Nancy Edwards, Kelly Altfillisch, Sandy Singer, Jeanette Heins, Tasha Gallagher, Judy Mathys & Kris Reichling onto the HR committee and then onto the full county board for discussion and possible approval. General Discussion, Voice Vote, Motion Passed.
- 2. October Overtime Report: Report was handed out and reviewed. HIM has been doing ICD10 training – which we received \$ from the SHIP Grant for and a lot of transcription OT. Purchasing – Kelly has been putting in a lot of time on things that Dr. Stormont needs for his clinic and surgicals. Business Office – billing, late calls, busy clinic days, and IT issues – Jody is covering for IT inhouse assisting Jason & Christine. Quite a bit lower than last year – Ms. Chikowski explained that we have learned through the LEAN Project better ways to utilize our people. Maintenance – Med Flight calls - Pharmacy – Janet went for CME's for training she needed. Staff is watching their OT and trying to keep it down.
- 3. Use of LPN's: For information only – Kathy Ruef reported that we have 2 employees that are working as HUC/CNAs who are LPNs and in January will be in their last semester of their ADN program. Because our ER's have been so busy, we have been taking nurses from the floor – we would like to move them into the Nurse Tech roll to help the RNs and better utilize them. Since we have a couple of candidates, they will actually go through the interview process and one will be selected to fill the half time nurse position that is still open. This candidate during their last semester can work as a Nurse Tech – we will utilize them under the LPN license and orient them to the RN role and when they graduate they will be up to speed. We have done this in the past and it has been very successful. It will help fill a gap due to the very rapid growth we have been experiencing recently. No further action required - for information purposes only.

VII. Medical Staff Report – Discussion and possible action

- Appointments approved with a motion by Ms. Hull, seconded by Dr. Solverson for: Matt McGowan, Pharmacist; Nathan Vakharia, MD Emergency Room Physician; & Julie Frazier, Speech/Language Therapist. Voice vote motion passed.
- Dr. Neumann has voluntarily withdrawn her Inpatient Privileges as a member of the active staff from MHLC effective 1/1/2014. Family Health will cover her inpatients. She will continue her work at Family Health & Lafayette Manor. C-Section call continued until 4/2014.
- Dr. Solverson reported that Family Health is recruiting physicians and have hired a firm Merritt Hawkins to help with this.

VIII. Management Report – discussion and possible action

1. **New Business:**
 - IT Request – No requests.
2. Medicaid funding resolution: Mr. Wilson brought up the fact that WCA passed it but struck the paragraph that says if they don't do it the county has the right to make its own decision. A change was made in the resolution of Memorial Hospital of Lafayette County Committee instead of Board of Supervisors discussed the merits of this enhanced funding and voted

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to consider approving the acceptance of these funds at its October 22, 2013 meeting.
Lengthy discussion continued.

3. Temp Guard: Kathy Ruef explained that the temp guard would be used to monitor all refrigerators that pharmaceuticals would be stored in. The temp guard will also monitor the humidity in OR and the IT area. If the equipment is faulty, it would sound an alarm. General discussion. Motion was made by Mr. Boyle, seconded by Mr. Niemann to move ahead with the purchase of the temp guard, Voice Vote and passed unanimously.

4. **Old Business:**

- a. Generator: Plans submitted to State waiting to hear back.
- b. Dept. Moves Update: Going well.
- c. OB Recruitment: Continues.
- d. Therapy Dept.: RT – new patient satisfaction survey improved.

- IX. Audit of Bills** - The bills were presented for approval. Mr. Boyle made a motion and seconded by Mr. Niemann to approve the Audit of Bills as presented. General Discussion - voice vote motion passed unanimously.

- X. Next Meeting** – Chair Moody set the next meeting date.

**Next Hospital Board Meeting set for
December 18, 2013 at 9:30 am
MHLC Conference Room**

- XI. Adjournment** – Mr. Wilson made a motion and seconded by Mr. Niemann to adjourn the meeting. Voice vote Motion passed unanimously.

Focus Statement

“Caring...Quality...Life...We take it Personally.”